

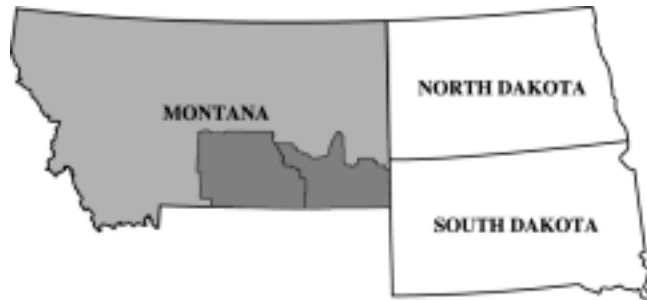


December 2003

COAL BED NATURAL GAS DEVELOPMENT

WHERE ARE WE NOW?

- The coal bed natural gas (CBNG) industry is interested in developing this resource in southeastern and south central Montana – primarily in the Powder River Basin.
- In order to analyze conventional oil and gas and full field CBNG development, the BLM and the State of Montana (Department of Environmental Quality and Board of Oil and Gas Conservation) prepared a joint environmental impact statement (EIS) and resource management plan (RMP) amendment.
- A BL Record of Decision was issued April 30, 2003. Several lawsuits were filed after release of the Montana and Wyoming RODs.
- Both the Montana and Wyoming RODs outlined the use of an interagency working group. Working group organizational meetings have been held since June 2003 in Sheridan, Wyoming. Water, air and wildlife interagency task groups have also been formed.



HOW DID WE GET HERE?

- Monitoring and mitigation are vital for ensuring that the decisions made in the EIS/RMP amendment are adequately protecting the affected environment. Protection measures and best management practices are in place for several resources including air, water and wildlife.

WHAT NEEDS TO BE DONE?

- The BLM is actively engaging other agencies in its implementation of the CBNG program. Working group participants include both Montana and Wyoming BLM and DEQ. The USGS, USFS, NPS and Montana, Wyoming and South Dakota NRCS and Native American tribes are also included.



Typical CBNG drilling rig.

- The Powder River RMP area encompasses about 2,522,950 BLM-administered oil and gas acres.
- The Billings RMP area encompasses about 662,066 BLM-administered oil and gas acres in the south-central portion of Montana.
- The State of Montana's planning area was statewide with emphasis on the BLM planning areas and three areas in Blaine, Park and Gallatin counties. For analysis purposes, BLM and the State of Montana predicted that approximately 10,000 to 26,000 coal bed natural gas wells could be drilled in the state over the next 20 years in addition to a number of conventional oil and gas wells.



A gathering line being built near Decker.

WHO ELSE IS CONCERNED?

- There is a high level of regional interest in CBNG production with most concerns focused on water-related impacts.

FOR MORE INFORMATION

Contact Mary Bloom, CBM Program Manager, Miles City Field Office, 406 233-3649.



Completed CBNG well.